



Thurston County
WATER CONSERVANCY BOARD
Application for Change/Transfer
Record of Decision

For Ecology Use Only	
Received:	Date Stamp
RECEIVED	
Reviewed by:	Date Reviewed: FEB 29 2012

Applicant: Washington Water Service Company


Application Number: THUR-11-02

This record of decision was made by a majority of the Board at an open public meeting of the Thurston County Water Conservancy Board held on February 27, 2012.

X Approval: The Thurston County Water Conservancy Board hereby **grants** conditional approval for the water right transfer described and conditioned within the report of examination on February 27, 2012 and submits this record of decision and report of examination to the Department of Ecology for final review.

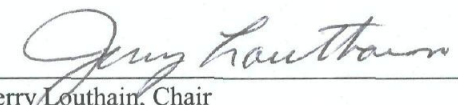
☐ **Denial:** The (board name) Water Conservancy Board hereby **denies** conditional approval for the water right transfer as described within the report of examination on (date report of exam was signed) and submits this record of decision to the Department of Ecology for final review.

Signed:




Jon Hare
Thurston County Water Conservancy Board

Date: 2-27-12
Approve ☒
Deny ☐
Abstain ☐
Recuse ☐
Other ☐



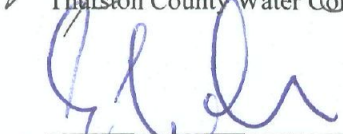
Jerry Louthain, Chair
Thurston County Water Conservancy Board

Date: 2-27-12
Approve ☒
Deny ☐
Abstain ☐
Recuse ☐
Other ☐



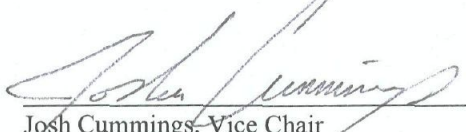
Zena Hartung, Secretary
Thurston County Water Conservancy Board

Date: 2/27/2012
Approve ☐
Deny ☒
Abstain ☐
Recuse ☐
Other ☐



Tye Menser, Treasurer
Thurston County Water Conservancy Board

Date: 2-27-12
Approve ☒
Deny ☐
Abstain ☐
Recuse ☐
Other ☐



Josh Cummings, Vice Chair
Thurston County Water Conservancy Board

Date: 2/27/12
Approve ☐
Deny ☐
Abstain ☐
Recuse ☐
Other ☒

Training Pending

Mailed to the Department of Ecology Southwest Regional Office of Ecology, and other interested parties on February 28, 2012.

If you have special accommodation needs or require this form in alternate format, please contact 360-407-6607 (Voice) or 711 (TTY) or 1-800-833-6388 (TTY).

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**Thurston County
WATER CONSERVANCY BOARD**

Application for Change/Transfer
OF A RIGHT TO THE BENEFICIAL USE OF THE PUBLIC WATERS OF
THE STATE OF WASHINGTON



Surface Water



Ground Water

DATE APPLICATION RECEIVED August 15, 2011	WATER RIGHT DOCUMENT NUMBER (e.g., claim, permit, certificate, etc.) G2-26813	WATER RIGHT PRIORITY DATE October 16, 1985	BOARD-ASSIGNED CHANGE APPLICATION NUMBER THUR 11-02
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NAME:
Washington Water Service Company

ADDRESS (STREET) 6800 Meridian Road SE	(CITY) Olympia	(STATE) WA	(ZIP CODE) 98513
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Changes Proposed: ☒ Change purpose ☐ Add purpose ☐ Add irrigated acres ☒ Change point of diversion/withdrawal
☐ Add point of diversion/withdrawal ☐ Change place of use ☐ Other (Temporary, Trust, Interties, etc.) _____

SEPA

The board has reviewed the provisions of the State Environmental Policy Act of 1971, Chapter 43.21C RCW and the SEPA rules, chapter 197-11 WAC and has determined the application is: ☒ Exempt ☐ Not exempt

BACKGROUND AND DECISION SUMMARY

Existing Right (Tentative Determination)

MAXIMUM CUB FT/SECOND	MAXIMUM GAL/MINUTE	MAXIMUM ACRE-FT/YR	TYPE OF USE, PERIOD OF USE				
	800	425	Community Domestic supply, Year-round, as needed				
SOURCE:			TRIBUTARY OF (IF SURFACE WATER)				
4 Wells							
AT A POINT LOCATED:							
PARCEL NO	¼	¼	SECTION	TOWNSHIP N.	RANGE	WRIA	COUNTY
Well 1 (AGN781)	SE	SE	14	18	1 W.	13	Thurston
Proposed Well 3	SE	SE	14				
Well 2 (AGN723)	SW	SW	13				
Proposed Well 4	S ½	SE	14				
LEGAL DESCRIPTION OF PROPERTY ON WHICH WATER IS USED							
The existing and future service area of Washington Water Service Company lying within the following areas: That portion of Section 30, T. 18 N., R. 1 E.W.M., lying North of the B.N.P.R.R. easement and West of Pacific Highway S.E.; the NE 1/4 of Section 25, T. 18 N., R. 1 W.W.M., that portion of Section 19, T. 18 N., R. 1 E.W.M., lying Southerly of Pacific Highway S.E.; Section 24, T. 18 N., R. 1 W.W.M., excepting the NE 1/4 NE 1/4; That portion of Section 23, T. 18 N., R. 1 W.W.M., lying North of the Burlington Northern RR Easement and East of Marvin Road; the West 1/2 of Section 13, T. 18 N., R. 1 W.W.M., lying South of Steilacoom Road S.E.; Plus that portion of Section 14, T. 18 N., R. 1 W.W.M., lying South of Steilacoom Road S.E. and North of Pacific Highway S.E.; the East 1/2 of Section 13, T. 18 N., R. 1 W.W.M., lying South of Land Yacht Harbor Mobile Home Park and West of the Plat of The Meadows.							
PARCEL NO	¼	¼	SECTION	TOWNSHIP N.		RANGE	
				18		1 W	

Proposed Use

MAXIMUM CUB FT/SECOND	MAXIMUM GAL/MINUTE	MAXIMUM ACRE-FT/YR	TYPE OF USE, PERIOD OF USE				
	800	425	Municipal Supply Purposes, Year-round, as needed				
SOURCE			TRIBUTARY OF (IF SURFACE WATER)				
4 Wells							
AT A POINT LOCATED: PARCEL NO.	¼	¼	SECTION	TOWNSHIP N.	RANGE	WRIA	COUNTY
RF Well 1 (AGN781)	SE	SE	14	18	1 W	13	Thurston
RF Well 2 (AGN723)	SW	SW	13	18	1 W	13	Thurston
Proposed Well 4	S ½	SE	14	18	1 W	13	Thurston
Proposed Freestone Ridge	SW or NW	NE or SE	25	18	1W	13	Thurston
LEGAL DESCRIPTION OF PROPERTY ON WHICH WATER IS TO BE USED							
The place of use (POU) of this water right is the service area for Washington Water Service Company described in the most recent Water System Plan approved by the Washington State Department of Health, so long as the Washington Water Service Company is and remains in compliance with the criteria in RCW 90.03.386(2). RCW 90.03.386 may have the effect of revising the place of use of this water right.							
PARCEL NO.	¼	¼	SECTION	TOWNSHIP N.	RANGE		

Board's Decision on the Application

MAXIMUM CUB FT/ SECOND	MAXIMUM GAL/MINUTE	MAXIMUM ACRE-FT/YR	TYPE OF USE, PERIOD OF USE				
	800	425	Municipal Supply, Continuously				
SOURCE:			TRIBUTARY OF (IF SURFACE WATER)				
4 Wells							
AT A POINT LOCATED:							
PARCEL NO.	¼	¼	SECTION	TOWNSHIP N.	RANGE	WRIA	COUNTY
RF Well 1 (AGN781)	SE	SE	14	18	1 W	13	Thurston
RF Well 2 (AGN723)	SW	SW	13	18	1 W	13	Thurston
Proposed Well 4	S ½	SE	14	18	1 W	13	Thurston
Proposed Freestone Ridge	SW	NE	25	18	1W	13	Thurston
	or	or					
	NW	SE					
LEGAL DESCRIPTION OF PROPERTY ON WHICH WATER IS TO BE USED AS APPROVED BY THE BOARD							
<p>The place of use (POU) of this water right is the service area for Washington Water Service Company described in the most recent Water System Plan approved by the Washington State Department of Health, so long as the Washington Water Service Company is and remains in compliance with the criteria in RCW 90.03.386(2). RCW 90.03.386 may have the effect of revising the place of use of this water right.</p>							
PARCEL NO.	¼	¼	SECTION	TOWNSHIP N.	RANGE		

DESCRIPTION OF PROPOSED WORKS

System will continue to utilize two Rolling Firs Wells, Well 1 is 8" by 225', and Well #2 is 8" by 286', one of the future well sites will be reserved for the Rolling Fir's portion of the system, the proposed Freestone Ridge well will be drilled to approximately 250 to 300 feet.

DEVELOPMENT SCHEDULE

BEGIN PROJECT BY THIS DATE: Started	COMPLETE PROJECT BY THIS DATE: March 1, 2014	COMPLETE CHANGE AND PUT WATER TO FULL USE BY THIS DATE: March 1, 2015
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REPORT**BACKGROUND**

On August 15, 2011, Washington Water Service Company (Washington Water) filed an Application for Change to change the purpose of use and one of the points of withdrawal associated with Ground Water Permit G2-26813. The application was accepted at an open public meeting of the Thurston County Water Conservancy Board ("Board") on August 15, 2011, and assigned application number THUR 11-02.

Exhibit "A" is a copy of the Application for Change No. THUR 11-02, and **Exhibit "B"** is a copy of Ground Water Permit G2-26813.

Table 1 Attributes of the water right as currently documented

Name on permit: Washington Water Service Company						
Water right document number: G2-26813						
As modified by certificate of change number: N/A						
Priority date, first use: October 16, 1985						
Water quantities: Qi: 800 Qa: 425 ac-ft/year (311 ac-ft/year – Additive, 114 ac-ft/year – Non-additive)						
Source: 4 Wells (2 existing, 2 proposed)						
Point of diversion/withdrawal:						
	1/4	1/4	SECTION	TOWNSHIP N.	RANGE	WRIA
Well 1 (AGN781)	SE	SE	14			
Proposed Well 3	SE	SE	14	18	1 W.	13
Well 2 (AGN723)	SW	SW	13			
Proposed Well 4	S 1/2	SE	14			
Purpose of use: Community Domestic Supply						
Period of use: Year-round, as needed						
Place of use:						
The existing and future service area of Washington Water Service Company lying within the following areas: That portion of Section 30, T. 18 N., R. 1 E.W.M., lying North of the B.N.P.R.R. easement and West of Pacific Highway S.E.; the NE 1/4 of Section 25, T. 18 N., R. 1 W.W.M., that portion of Section 19, T. 18 N., R. 1 E.W.M., lying Southerly of Pacific Highway S.E.; Section 24, T. 18 N., R. 1 W.W.M., excepting the NE 1/4 NE 1/4; That portion of Section 23, T. 18 N., R. 1 W.W.M., lying North of the Burlington Northern RR Easement and East of Marvin Road; the West 1/2 of Section 13, T. 18 N., R. 1 W.W.M., lying South of Steilacoom Road S.E.; Plus that portion of Section 14, T. 18 N., R. 1 W.W.M., lying South of Steilacoom Road S.E. and North of Pacific Highway S.E.; the East 1/2 of Section 13, T. 18 N., R. 1 W.W.M., lying South of Land Yacht Harbor Mobile Home Park and West of the Plat of The Meadows.						
Tentative determination of the water right						
The tentative determination is provided on the second page of this report.						
History of water use						
The subject Permit was issued to South Sound Utility Company in 1986 with the intent of supplying 950 homes within Thurston County service area. The two current wells were drilled in 1969 and 1977 and operated under the authority of Groundwater Certificate G2-24269, which authorizes a withdrawal rate of 320 gpm and 114 acre-feet per year, thus the subject permit is issued partially supplemental or non-additive to G2-24269.						
Current Use						
Two of four wells authorized by the permit have been constructed and are in use serving homes in the Rolling Firs development – approximately 280 connections. Washington Water has calculated that based on current zoning there is a potential for up to 6.846 ERU's within the place of use designated by the current permit. While some of this area may						

ultimately be served by the expanding City of Lacey water system, WWS plans to continue developing water use as requested to serve new growth.

Previous changes

N/A

SEPA

The Board has reviewed the proposed project in its entirety. The governmental action relating to the subject application is exempt from the "detailed statement" preparation requirements of SEPA (WAC 197-11-800(4)). The application neither involves appropriations of one (1) cubic feet per second or more of surface water for irrigation purposes or appropriations of 2,250 gallons per minute or more of ground water for any purpose.

Other

Chapter 90.44 RCW authorizes the appropriation of public water for beneficial use and describes the process for obtaining water rights including the process to amend or change existing rights. Laws specifically governing the water right permitting process are RCW 90.03.250 through 90.03.340 and RCW 90.44.060. Changes or amendments to these rights are covered under RCW 90.03.380 and RCW 90.44.100.

COMMENT AND PROTESTS

Public notice of the application was given in the Olympian on September 30 and October 7, 2011. The protest period ended on November 8, 2011.

In response to the notice, the City of Lacey filed a protest dated November 3, 2011. The protest is based on their position that the well site and Freestone project site are located within their water service area, and secondly that the proposed change in well location constituted an "upstream" transfer. The City's protest will be addressed in the report in the section entitled *Consideration of Protests and Comments*. "**Exhibit C**" is the Affidavit of Publication and "**Exhibit D**" is the City of Lacey's protest.

INVESTIGATION

The following information was obtained from:

- A site inspection conducted by Commissioners Jerry Louthain, Zena Hartung, and Tye Menser on November 9th, 2011. The group was accompanied by Jerry Peterson and Paul Robischon of Washington Water Service, Jeff Pantier of Howard, Godat, Pantier and Associates, and Jill Van Hulle of Pacific Groundwater Group.
- Technical reports such as Drost, B.W., Ely, D.M., and Lum, II, W.E., 1999. "Conceptual Model and Numerical Simulation of the Ground-Water-Flow System in the Unconsolidated Sediments of Thurston County, Washington". U.S. Geological Survey WRI 99-4165
- Research of Ecology records - including water rights, well construction logs and other hydrogeologic information and.
- Conversations with the applicant - Jerry Petersen, manager of Washington Water and/or other interested parties.

Project Description

Washington Water is the largest investor-owned water utility in Washington State and provides water-utility services to nearly 300 Washington water systems, ranging in size from three service connections to 1,600. This application is associated with Washington Water's Thurston County systems and is intended to allow the applicant to supply water to new development that is occurring in unincorporated Thurston County.

The intent of the Application for Change is to change one of the four currently authorized points of withdrawal on Ground Water Permit G2-26813 to accommodate a new well that will be located approximately 1.5 miles to the south of one of the originally designated points of withdrawal. Concurrent with this filing, Washington Water also requests an administrative update of the designated purpose of use from community domestic to municipal supply purposes and a corresponding Place of Use description which will be determined by the Department of Health in the water system planning process.

Ground Water Permit G2-26813 authorizes the withdrawal of 800 gpm and 425 acre-feet per year from four wells located in Sections 13 and 14, T. 18 N., R. 1 W.W.M, for community domestic supply of an estimated 950 connections. This permit is in good standing, with a development schedule that requires completion of construction in 2014 and full beneficial use in 2015.

Currently, two of the four wells have been constructed and are in use for homes in the Rolling Firs development. Well 1 is 225 feet deep, and Well 2 is 286 feet deep. Wells 3 and 4 were proposed for additional supply; however, instead of drilling at the designated sites, Washington Water would like to shift one of those proposed wells to the south to supply new development in that portion of their place of use area.

The new well will be situated about 1.5 miles south of the original wells, in the vicinity of the proposed Freestone Ridge development. Because the current wells are equipped to produce only 325 gpm, a new high capacity well at the Freestone Ridge site will allow Washington Water to more fully develop this permit and comply with the development schedule.

The Freestone well may also be authorized by a second groundwater right permit held by Washington Water. Ground Water Permit G2-26613 authorizes withdrawals from up to 9 wells of which 6 have been constructed and are in use. Utilization of the second permit will be decided once capacity is established at the new site, and possibly both permits will be appurtenant to the new well, future changes may be filed if needed. **Figure 1** shows the project area and relationship of the Washington Water well sites to this requested transfer.

Washington Water Service Water Right Portfolio

Washington Water holds multiple water right authorizations for this portion of its service area, and as previously stated the proposed Freestone Ridge well may ultimately be authorized by both Permit Nos. G2-26813 and G2-26613. **Table 2** details those water rights specific to the Freestone project.

Table 2 Washington Water Service Company Water Rights

Water Right	Location	GPM	Acre-feet ¹	
			Primary	Non-additive
G2-26813	Rolling Firs 1 and 2, Proposed 3 and 4	800	311	114
G2-24269	Rolling Firs 1 and 2	320	114	
G2-26613	9 Wells	800 ²	93.5	130.5
G2-00934	Triple G	90	25	
G2-24077	Holiday Ranchette	158	33.5	
G2-24847	Winwood	78	22	
G2-25442	Triple G	98	50	

Effects to Other Water Rights/Claims

The State Department of Ecology's Water Rights Application Tracking (WRATS) database was queried to identify other existing ground water rights (certificates, permits and claims) within a half mile radius around the Freestone Ridge well site. **Figure 2** shows the distribution of water rights in proximity to the proposed well site.

Table 3 – Water Rights Application Tracking – ½ Mile Radius of Proposed Freestone Wellsite

File #	Person	Doc	Priority Dt	Purpose	GPM	Qa	WRIA	TRS	QQ/Q
G2-26613	Washington Water Serv.	SuperPmt	1/17/1984	DM	800		11	18.0N 01.0E 31	NW/SW
G2-048886CL	MITCHELL JAMES L.	Claim L		DG			13	18.0N 01.0W 25	
G2-038703CL	JONES ELMO M.	Claim L		DG			13	18.0N 01.0W 25	
G2-035401CL	SMITH JOSEPHINE	Claim S		DG			13	18.0N 01.0W 25	
G2-034594CL	WALTON KENNETH E.	Claim S		ST,DG			13	18.0N 01.0W 25	
G2-022402CL	EDWARDS ROBERT E.	Claim L		DG			13	18.0N 01.0W 25	
G2-20883C	Lacey City	Cert	3/20/1973	MU	700	374	11	18.0N 01.0W 25	NE/NW
1899	BLASKOWSKY R	Cert	10/30/1951	IR	130	40	13	18.0N 01.0W 25	SE/SW
584	Northern Pacific Rail	Cert	1/1/1913	RW	79	86	13	18.0N 01.0W 25	SE/SW
G2-29304 ³	Lacey City	NewApp	9/20/1995	MU	400		11	18.0N 01.0W 25	
G2-301091CL	DRAPER THOMAS	Claim		ST,IR	0	25.255	13	18.0N 01.0W 25	
G2-30374	Triway Enterprises	NewApp	10/17/2006	DM	655	520	13	18.0N 01.0W 25	NE/NE

Ecology's WRATS database indicated that three groundwater certificates have been issued within a half mile radius of the proposed Freestone well site. The closest of these being Ground Water Certificate G2-20883 which was issued to the City of Lacey and authorizes the current use of the Evergreen Estates well situated approximately a half mile to the north. The City has also filed an application for a new water right G2-29304³ that is associated with that site. The new application is intended to allow for increased withdrawals from the Evergreen Estates well.

The Evergreen Estates well is completed in the Qc aquifer at a similar depth as the proposed Freestone well. Previous testing of the Evergreen Estates well (Hydrogeologic Evaluation of Lacey Production Well 24 at Evergreen Estates, January 7, 2003, Pacific Groundwater Group) indicated that the Qc aquifer is very productive with a measured transmissivity of 1,250,000 gpd/ft. This value was used to estimate the drawdown associated with 800 gpm (the full water right for G2-26813) using the Theis solution. The analysis assumes a storage coefficient of 0.2 (estimated from the results of the Evergreen Estates well test) and a pumping rate of 800 gpm for 100 days. The analysis indicates drawdown after 100 days would be less than 1 foot within 100 feet of the proposed well. This means that the worse case drawdown at the nearest well represented by Ecology's WRAT's database or for known individual domestic wells would be far beyond the radius of any significant interference effect.

Effects to Other Individual Wells

The Freestone project site encompasses nearly 250 acres and the proposed well site is located near the project's center. The nearest private/individual well is associated with a circa 1930 farmstead that is located on the Freestone property (3346 Marvin Road SE Olympia, Parcel No. 11825310000) approximately 800 feet southeast of the proposed well site. The old farmhouse is connected to a well, however a log is not available and nothing is known about its construction. Since the home was constructed in 1929 it is assumed that the well is at least that old. Drawdown at the existing farmhouse well (located 800

¹ Primary and Non-additive is an administrative term that indicated whether Qa is intended to increase total quantities of water allocated, or provide source flexibility.

² May be partially non-additive

³ Application G2-29304 was originally filed for a site located over a mile and a half to the south of the proposed Freestone well site, and then modified to yet another site situated about a mile north of Freestone.

feet away) would be substantially less than 1 foot and likely in the order of a few inches, which given reasonable well construction assumptions and seasonal water level fluctuations should be non-detectable. This well represents the nearest neighboring water users, however, the farmhouse well and all outbuildings will eventually be removed to accommodate the project. This transfer will be undetectable to wells located beyond the boundaries of this property.

Same Body of Public Water

The WRIA 11/13 boundary runs right through this area, and in fact three of the original four wells associated with this permit are located in the boundaries of the Deschutes watershed (Rolling Firs #1, Rolling Firs #2, and Proposed Well #3), while the fourth original well (Proposed well #4) is located in the boundaries of the Nisqually River/McAllister Creek watershed. However the groundwater and surface water divides are not coincident in this area and hydrogeologic interpretation indicates the completed original wells (Rolling Firs #1 and #2) and proposed Freestone Ridge well are completed in the Sea Level Aquifer (Qc) and both sites lie within the groundwater basin that is tributary to the Nisqually River.

A cross section (**Figure 3**) was constructed using geologic and hydrogeology information provided on nearby well logs. The cross section alignment is shown in **Figure 4**. As shown in the cross section and in **Figure 4**, the proposed Freestone Ridge well is located about 1.5 miles south and slightly upgradient in the groundwater flow system from the original wells. The cross section also shows the wells at both locations are completed in the Qc aquifer and are hydraulically interconnected, with similar recharge and discharge areas, and act as one body of water. Groundwater at both well locations discharges into the McAllister Springs/McAllister Creek area with subsequent discharge into Puget Sound. (**Figure 4**).

Water Availability and Impairment of Flows

Minimum instream flows for this area were established through Chapter 173-511 WAC, the Instream Resources Protection Program for the Nisqually Basin WRIA 11 and 173-513 WAC, the Instream Resource Protection Program for the Deschutes Basin WRIA 1, in 1981. Both Chapters 173-511 and 173-513 state that the purpose of the rules is to retain perennial rivers and streams with instream flows and levels necessary to provide for wildlife, fish, scenic-aesthetic, environmental values, recreation, navigation, and water quality. Potentially impacted streams within the project vicinity include the Nisqually River and McAllister Creek (Nisqually Basin) and Woodland Creek (Deschutes Basin). Among these water bodies, the two rules set instream flow requirements on the Nisqually River and closures on McAllister – both WRIA 11 and Woodland creeks, WRIA 13. Under instream flow requirements, the mainstem of the Nisqually River is effectively closed when the requirements are not met. Stream closures are determinations by Ecology that under RCW 90.54.020 that water is not available for further appropriation. Under the provisions of these regulations, any consumptive groundwater withdrawals from these basins with priority dates later than the closure dates stated in the regulations must not have an adverse effect on regulated surface water bodies.

The subject permit has a priority date of October 16, 1985 and accordingly would have been evaluated under the Instream Flow Protection Program during the evaluation of the application. Although not explicitly addressed in the original ROE Ecology would have evaluated this application and determined that the issuance of this permit was not in conflict with the WAC. Thus under the current permit some amount of surface water capture is expected to affect baseflows in regulated surface water bodies in both WRIA's 11 and 13. Under this change application, the total capture of baseflow from local surface-water bodies will not change significantly or in an adverse manner, because the application represents no net increase in water quantity. However, the relative distribution of stream capture is expected to shift slightly with the change in point of withdrawal. Shifting pumping to the proposed Rolling Firs wells will shift the center of the cone of depression associated with pumping, moving it farther away from Woodland Creek and from the overall course of McAllister Creek. By so doing, baseflow capture on both of these creeks is expected to decrease slightly, thus causing slightly more pumping capture from the Nisqually River.

Chapter 173-511 WAC specifies control points (stream gages) on the river, and specifies minimum instream flows for all months of the year at each control point. The control point for the Lowest Reach of the Nisqually – which would be most applicable to this project, is located at river mile 4.3, which represents the reach between the influence of the mean annual high tide (at low flow conditions) and the outlet of the Centralia City Light Power Plant (river mile 12.6). In addition, the bypass and middle reaches of the mainstem Nisqually River are closed to further consumptive appropriation from June 1 to October 15. Flows in the Nisqually River are controlled by the Tacoma Power-operated LaGrande Dam and the Centralia City Light-operated river diversion near Yelm. These projects are regulated by the Federal Energy Regulatory Commission (FERC) and are required to be operated at a level that ensures sufficient instream flow for fish in the Nisqually River.

Since a gage was never established at RM 4.3, in 2001, Ecology completed a study examining instream flows in the lower reach of the Nisqually River. As a surrogate for the control point at RM 4.3, a numerical relationship was developed predicting flows in the lower reach from two upstream USGS gages and the study-specific discharge measurements collected at RM 4.6. Comparison of the numerical relationship to historical data indicate that minimum instream flows in the lower reach have been met much of the time, except for only a couple of known operational failures at the upstream dams.

Other water rights appurtenant to the property (if applicable)

There are no other water rights associated with the project site, however pending application G2-30374 was filed by the previous owner of the Freestone development, TriWay Development. As previously noted, Washington Water's Ground Water Permit G2-26613 describes a future well site to be located in this ¼ ¼ sections.

Public Interest (groundwater only)

The proposed transfer is subject to RCW 90.44.100 and therefore, cannot be detrimental to the public interest. Ecology considers public interest to include the ramification of water right decisions on any watershed planning activities.

The 1971 Water Resources Act provides the most comprehensive list of legislative policies that guide the consideration of public interest in the allocation of water. These policies generally require a balancing of the state's natural resources and values with the state's economic well-being. Specifically, the policies require allocation of water in a manner that preserves instream resources, protects the quality of the water, provides adequate and safe supplies of water to serve public need, and makes water available to support the economic well-being of the state and its citizens.

The proposed change – which will result in the relocating of an already permitted well, is consistent with state policy without adversely impacting instream flows or other public needs and values. No detriment to public interest could be identified during the examination of the subject application.

The Nisqually Watershed Plan recommends changes and transfers of water rights to meet water demands, pending development of regional supplies. The Plan which was approved and adopted in 2003, recognizes the challenges that the water providers in the watershed face in securing water supplies to serve growing demand, and include recommendations that communities “pursue opportunities for existing water right transfers” to meet short to medium-term needs. While this request is not actually a *transfer* in the sense that it is an existing water right that is already held by Washington Water, the overarching concept that use of existing water rights should occur before new water rights are issued applies to this request.

Tentative Determination

In order to make a water right change decision, the Board must make a tentative determination on the validity and extent of the right.

The Board's tentative determination was based upon the following findings:

- This permit is held by a municipal water purveyor and is being used to supply more than 15 service connections within an approved water service area with obligations to supply additional property within the original service area.
- The permit is in good standing and being pursued consistent with an Ecology authorized development schedule.

The Department of Ecology's policy on tentative determinations of water rights (*Water Resources Program Policy for Conducting Tentative Determinations of Water Rights, Policy POL 1120*) provides that a simplified tentative determination may be conducted when evaluating municipal water rights. For municipal rights subject to RCW 90.03.330(3) an investigation of the complete history of the water right is not required. It is Ecology's position that such a water right is a right in good standing.

The definition of “Municipal water supply purposes” means a beneficial use of water:

- (a) For residential purposes through fifteen or more residential service connections or for providing residential use of water for a nonresidential population that is, on average, at least twenty-five people for at least sixty days a year;
- (b) for governmental or governmental proprietary purposes by a city, town, public utility district, county, sewer district, or water district; or
- (c) indirectly for the purposes in (a) or (b) of this subsection through the delivery of treated or raw water to a public water system for such use.

If water is beneficially used under a water right for the purposes listed in (a), (b), or (c) of this subsection, any other beneficial use of water under the right generally associated with the use of water within a municipality is also for “municipal water supply purposes,” including, but not limited to, beneficial use for commercial, industrial, irrigation of parks and open spaces, institutional, landscaping, fire flow, water system maintenance and repair, or related purposes.

Geologic, Hydrogeologic, or other scientific investigations (if applicable)

The subject area is underlain by unconsolidated sediments ranging in thickness from 600 feet to 900 feet; generally increasing in thickness to the north. These sediments were laid down by consecutive glacial advances and recessions and vary in permeability and water transmitting capacity. The most significant hydrogeologic units in the area can be summarized as follows (from ground surface to depth):

Hydrogeologic Unit	Hydrogeologic Character
McAllister Gravel Deposits (MG)	Sand and gravel (aquifer where saturated)
Vashon Recessional Deposits (Qvr)	Sand, gravel, and silt (variable saturation)
Vashon Till (Qvt)	Silt-bound sand and gravel (aquitard)
Vashon Advance (Qva)	Sand and gravel (aquifer)
Kitsap Formation (Qk)	Silt and sand (locally and aquitard)
Sea Level Deposits (Qc)	Sand and gravel (aquifer)
Undifferentiated (Qu)	Sand and gravel (aquifers); silt (aquitards)

A hydrogeologic cross section (A-A') for the area is shown in **Figure 3**. The cross section alignment is shown on **Figure 4**. The most significant aquifers in the area are the Qva, Qc, and Qu aquifers. Locally, these aquifers are confined by low permeable units (aquitards) such as the Qvt or the Qk where present.

Also significant is the MG aquifer which occurs in the McAllister Springs/Nisqually River area to the east of the cross-section alignment and is not depicted on **Figure 3**. The MG aquifer is unconfined and consists of highly permeable gravel-

fill deposits over 400 feet thick that occupies an abandoned channel of the Nisqually River. The channel was incised after the deposition of the Kitsap Formation and subsequently aggradated (filled) during the glacial episodes.

The Qvr outwash deposits are 0 to 75 feet thick and mantle much of the upland areas. This unit consists of sand and minor gravel, and was deposited by streams emanating from the melting and receding Vashon glacier. Where saturated, the unit is generally considered a productive shallow aquifer system; however, it is susceptible to contamination problems.

The Qvr is generally underlain by Vashon till, or Qvt. The Qvt is typically a poorly sorted, highly compacted and lower permeable layer formed by the grinding action and weight of the Vashon Glacier over the sediments. This layer ranges in thickness from approximately 0 to 100 feet and, where present, provides a degree of protection to the underlying aquifers from surface activities. Within the project vicinity, areas occur where the Qvt is absent ("windows" in the till), and where the till is less consolidated, less silty and difficult to distinguish from Qvr or underlying Qva.

The Qva outwash sediments consist of sand and gravel deposited from melt waters during the advance of the Vashon glacier. The unit forms a moderately productive aquifer that occurs throughout much of the area. The aquifer is recharged by downward flow through the overlying Vashon till or directly from the Qvr where the till is absent. The Qva aquifer is absent where it is not underlain by lower permeability Qk sediments (described below).

The Kitsap Formation (Qk) occurs stratigraphically below the Qva where present. The unit consists of predominately clay and silt with minor sand, gravel, peat, and wood. These sediments were deposited in shallow lakes, river valleys, and wetlands during an interglacial period. The Qk sediments are discontinuous throughout the area. Where present, they restrict vertical flow of water between the Qva and Qc aquifers, and support saturated conditions in the overlying Qva.

The Sea Level glacial (Qc) deposits are stratigraphically below the Qk or Qva unit. The unit consists of coarse sand and gravel deposited by glacial meltwater during the previous glacial period. The unit forms a productive aquifer that occurs throughout much of the area.

The Qu unit represents older undifferentiated deposits. The unit consists of sand and gravel (aquifers) with inter-bedded clay and silt (aquitards). These interbedded fine-grained units separate the Qc aquifer from the aquifers within the Qu.

Figure 3 illustrates the occurrence of sedimentary units and aquifers along a north-south cross section within the project vicinity. All three aquifers (Qva, Qc, and Qu) are represented; however, the Qva aquifer is interpreted as absent or discontinuous in the southern portion of the section because the Qk is also absent/discontinuous. The section lumps the Qvr and Qvt into one mapped unit due to the discontinuities and textural variation within these units. Another combined unit ("Quc"), interpreted in the southern section, includes Qvr, Qvt and Qva where the Qva is likely to be unsaturated due to absence of a continuous Qk aquitard. **Figure 3** illustrates that the Qva aquifer occurs locally, whereas saturation occurs regionally within the deeper Qc and Qu aquifers.

It is worth noting that the Qc aquifer is laterally continuous with the MG aquifer, and discharges to the Mg aquifer over a large area. Whereas groundwater flow in the Qc aquifer is largely south to north in areas south of Pattison Lake and Lake Saint Clair, more northern areas show convergent flow to the McAllister Creek / Nisqually River lowland (**Figure 4**).

Consideration of Comments and Protests

Issue 1 - Service Area and Place of Use

The City of Lacey objects to the approval of this *Application for Change* because both the proposed well and project site for the Freestone development are located within the service area described in the City's current water system plan. Lacey also included a collection of service area maps and agreements to illustrate their legal interest in the service area.

Discussion:

In filing this *Application for Change*, Washington Water has requested the Board and Ecology's authorization to relocate one of the four originally designated well sites. While modification of this nature can be made to water rights in good standing so long as the proposed change does not result in impairment to other water right holders or the environment, a component of this proposal involves the establishment of a new system within an area currently within the City of Lacey's water service area.

While water rights traditionally established a legal place of use, which defined the physical area that water could be served, the establishment of the 2003 Municipal Water Code changed the way that service areas for larger public water systems are established. Water purveyors that wish to expand or modify their service area are required to make those changes through the Water System Planning process established by the Washington Department of Health (DOH). This means that the water right holders are not bound by the place of use description listed on their water right documents, but instead by the service area established by their water system plan, so long as they remain in compliance with that plan. Ecology has interpreted the municipal water law to mean that a water right, permit, or other document is not a limit on total connections or location of those connections. This interpretation allows utilities to expand their number of connections through water conservation.

Additionally, water service for any new industrial, commercial, or residential project must be consistent with the requirements of comprehensive plans, land use plans, and/or development regulations. In Thurston County a Coordinated Water System Planning (CWSP) process was developed to resolve service areas and guide boundary determinations. Although the Municipal Water Law provided new place of use flexibilities, abutting utilities are still bound by the CWSP requirement to coordinate their mutual boundaries through the procedures established within the County's adopted CWSP, pursuant to the Public Water System Coordination Act, RCW 70.116.

Under the CWSP process, service areas are malleable and in the interest of supplying water in the most timely and reasonable manner, are allowed to alter as conditions change. Since the initial establishment of service boundaries there have been two significant revisions that impact the service area boundaries between the City of Lacey and Washington Water. The first modification was embodied in a February 13, 1987 service area agreement between the City of Lacey & South Sound Utility Co. (SSUC), now Washington Water, establishing the boundary between the two utilities generally east of Marvin Road. In 1997 – during the transfer of the Evergreen Estates Water System back to Lacey, SSUC “returned” much of what had been transferred in 1987 back to Lacey.

For Washington Water to supply this area the Freestone Ridge developer must negotiate a service area transfer from Lacey. The ease of the service area transfer will depend to a large extent on Lacey’s ability to serve Freestone Ridge in a timely and reasonable manner. If the parties cannot resolve the issue between them, ultimately the rights to the Freestone Ridge service area will be resolved through both the County’s Coordination (CWSP) process and DOH’s Water System Plan & Municipal Water Law processes.

It is the Board’s position that a change in point of withdrawal and adjustments to CWSP designated service areas are separate issues that are addressed in separate venues. Drilling the on-site well and having an approved new point of withdrawal are needed for production and water quality testing and the decisions that need to be made regarding water system and project feasibility. Should Washington Water and the Freestone project developer determine that the new well can provide suitable quantity and quality, the Freestone developer can then make an informed decision whether or not to proceed with the design and construction of a standalone water supply system – along with an appeal to adjust the service area for a single water service provider. Realignment of the service areas between Lacey and Washington Water would be undertaken at that time and would be prerequisite to the preparation of a detailed set of construction drawings and Water System Planning documents for DOH review and approval.

Ability to Serve

In Thurston County comprehensive plans and development regulations, as guided by the Washington State Growth Management Act (RCW 36.70A.020(10)) should ensure that utilities can provide potable water to the communities within the county as the population grows. Water planning is carried out by each municipal water utility and the Department of Health has authority to approve utility plans.

City and county planners are required by law to evaluate the availability of water for each proposed subdivision. This statutory requirement led the City of Lacey to conclude that they could not guarantee water to subdivisions in both the City and the unincorporated UGA. Thus in 2005, Lacey stopped authorizing water service to new subdivisions in the UGA. Consequently, Thurston County stopped approving new subdivisions in the unincorporated Lacey UGA. This de facto moratorium has prompted some impacted property owners in Lacey’s UGA to consider options for obtaining a source of water supply for their projects. Some developers have requested annexation, usually without success, in order to get water service from the City. Others are exploring water service with exempt wells or from adjacent water systems. The recent issuance of new water rights to the City by Ecology will eventually allow the City to serve new growth in the UGA, however there is no firm date for when pumpable water can be guaranteed to be available.

Issue 2 – Proposed transfer is for an “upstream” transfer

The City of Lacey contends that the relocation of one of the four wells designated by this permit constitutes an upstream transfer and should be evaluated in relation to impacts to surface water bodies, such as nearby lakes and McAllister Springs as well as potential impacts to Lacey’s nearby water supply wells.

Discussion:

As previously discussed, the new Freestone well will target the regional extensive Qc aquifer that provides supply to several other large capacity production wells in the area. Because this application addresses a change of an existing water right, it represents no net increase in water quantity. Both the originally designated well and the proposed new well draw water from the same body of public groundwater and are located within close proximity of one another. The measure for whether a change in point of withdrawal can be allowed boils down to impairment and changes that are likely to result in impairment to other water users are not allowed.

The original site of the wells designated by this permit falls within the surface water drainage of WRIA 13, the Deschutes River watershed, and the new site – located just over a mile to the south also falls within WRIA 13. However, each of the original sites for the four wells on the existing permit and the proposed site for the Freestone well are all very near the boundary line between WRIs 11 and 13. It is recognized that surface water drainage and groundwater contours are not exactly aligned, and WRIA boundaries do not determine the movement of groundwater in a watershed, especially along the borders. Even though the existing and proposed well sites are technically within WRIA 13, the water level maps of the Qc aquifer near the original well site and the proposed Freestone Ridge well indicate that wells at both locations are situated in an area that discharges to the same surface water body, McAllister Creek, within the Nisqually River watershed, WRIA 11 (Figure 4) and would not result in any additional impairment to the Nisqually River or other regulated surface water in WRIA 11 (Drost, and others., 1999). Groundwater at both locations discharges into the McAllister Springs/McAllister Creek area with subsequent discharge into Puget Sound (Figure 4). Groundwater discharge to McAllister Creek from the proposed Freestone Ridge location would likely be slightly upgradient in the creek compared to discharge associated with groundwater at the existing location; however it’s not whether a well is up gradient or down gradient that matters but whether the change will result in impairment to other users. Given that the wells authorized by this permit will all remain in the same body of groundwater and general direction of groundwater drainage towards WRIA 11 water bodies, this transfer has no significant ramifications to conditions in neighboring WRIA’s, the primary surface water body of concern is McAllister Creek. We further note that McAllister Creek is a tidally influenced reach

and therefore the slight difference in discharge location within the creek does not have a significant impact and will not result in impairment to other water users or the environment. Furthermore, as already mentioned, this application addresses a change of an existing water right and therefore represents no net increase in water quantity.

Previous modeling has demonstrated that given the high transmitting capacity of the aquifer system the interference drawdown predicted from pumping at the Freestone well is minor – on the order of less than a foot within 100 feet of the well. There are no other wells located within 100 feet of the proposed well site, thus the operation of this well will have no direct impacts on other water users. The nearest City of Lacey well is located over a half mile away and will not be impacted.

CONCLUSIONS

Tentative determination (validity and extent of the right)

As a permit for an existing Group A system this water right has both a developed portion and an inchoate portion. Water rights that are used for municipal supply purposes are legally deemed to be in good standing and as such are eligible to be transferred so long as the transfer does not impair other water users. Inchoate portions may also be changed, subject to the development schedule and due diligence of the project.

Relinquishment or abandonment concerns

The Board finds no evidence that this right has been relinquished. This right is considered to be a permit in good standing that is being developed consistent with an approved development schedule.

Hydraulic analysis

Based on the information presented above, the proposed new well and the existing wells designated by the permit all share a common water body, and can be transferred without impacts to instream flows and existing water users.

Impairment

Operation of the proposed well at Freestone Ridge at its targeted rate of 800 gpm will not impact other water users.

Public Interest

The relocation of an already permitted well site to this location is consistent with state policy without adversely impacting instream flows or other public needs and values. No detriment to public interest could be identified during the examination of the subject application.

DECISION

Based on conclusions above, the decision of the Board is to approve Washington Water's Application for Change and to make the following changes to Ground Water Permit G2-26813:

- The point of withdrawal shall be the four wells designated on the second page of this recommendation.
- The maximum water right transfer authorized for Certificate No. G2-26813 is 800 gpm and 425 acre-feet per year (311 acre-feet per year additive and 114 acre-feet per year non-additive).
- The purpose of use shall be designated as Municipal supply.
- The place of use is the service area of Washington Water Service Company as described in a Department of Health approved water system plan.

PROVISIONS

Metering Requirements:

An approved measuring device shall be installed and maintained for each of the sources authorized by this water right in accordance with the rule "Requirements for Measuring and Reporting Water Use", Chapter 173-173 WAC.
<http://www.ecy.wa.gov/programs/wr/measuring/measuringhome.html>

Water use data shall be recorded monthly. The maximum monthly rate of diversion/withdrawal and the monthly total volume shall be submitted to the Department of Ecology by January 31st of each calendar year.

Department of Ecology personnel, upon presentation of proper credentials, shall have access at reasonable times, to the project location, and to inspect at reasonable times, records of water use, wells, diversions, measuring devices and associated distribution systems for compliance with water law.

Chapter 173-173 WAC describes the requirements for data accuracy, device installation and operation, and information reporting. It also allows a water user to petition the Department of Ecology for modifications to some of the requirements

Conditions and limitations

N/A

Construction Schedule

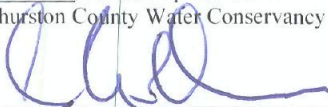
The development schedule established by the Department of Ecology requires Construction Completion by March 1, 2014 and the filing of the Proof of Appropriation by March 1, 2015.

Signed at Olympia, Washington

This 27th day of February 2012



_____, Board Representative
Thurston County Water Conservancy Board



STUMBS, Board Representative
Thurston County Water Conservancy Board

If you have special accommodation needs or require this form in alternate format, please contact 360-407-6607 (Voice) or 711 (TTY) or 1-800-833-6388 (TTY).

Ecology is an equal opportunity employer

Exhibits

- Exhibit "A"** Application for Change No. THUR 11-02.
- Exhibit "B"** Ground Water Permit G2-26813.
- Exhibit "C"** Affidavit of Publication
- Exhibit "D"** City of Lacey protest letter.

Figures

- Figure 1** Washington Water Service Co. Wells and Water Rights
- Figure 2** Water Rights within ½ Mile Radius of Proposed Well Site
- Figure 3** Hydrogeologic Cross-Section A-A'
- Figure 4** Water Levels & Groundwater Flow Directions, Sea Level Aquifer

Tables

- Table 1** Attributes of the water right as currently documented
- Table 2** Washington Water Service Company Water Rights
- Table 3** Water Rights Application Tracking – ½ Mile Radius of Proposed Freestone Wellsite

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STATE OF WASHINGTON
**APPLICATION FOR CHANGE/TRANSFER
OF WATER RIGHT**

For filing with Ecology or with County Conservancy Boards

THUK 11-02
Exhibit A
RECEIVED

FEB 29 2012

State Department
of Ecology (SWRO)

A MINIMUM FEE OF \$50.00 PAYABLE TO ECOLOGY MUST ACCOMPANY THIS APPLICATION

(Check all that apply.)

- ☒ Change purpose(s) of use
☐ Add purpose(s) of use
☒ Change point(s) of diversion/withdrawal
☐ Add point(s) of diversion/withdrawal
☐ Change/transfer place of use
☐ Other (i.e. consolidation, intertie, trust water)

Explain: _____

FOR OFFICE USE ONLY

CHANGE No. _____ WRIA _____

DATE ACCEPTED ____/____/____ BY _____

FEE \$ _____ REC'D ____/____/____

CHECK No. _____

SEPA: ☐ Exempt ☐ Not exempt

****IF MORE SPACE IS NEEDED, ATTACH ADDITIONAL SHEETS (PLEASE PRINT OR TYPE CLEARLY)****

1. Applicant Information:

APPLICANT/BUSINESS NAME Washington Water Service Company Att: Jerry Petersen	PHONE NO. (360) 491-3760	FAX NO.
ADDRESS 6800 Meridian Road SE		
CITY Olympia	STATE Washington	ZIP CODE 98513

CONTACT NAME (IF DIFFERENT FROM ABOVE) Jill Van Hulle Pacific Groundwater Group	PHONE NO. (360) 413-1510	FAX NO. (360) 413-1520
ADDRESS 3130 60th Loop SE		
CITY Olympia	STATE Washington	ZIP CODE 98501

2. Water Right Information:

WATER RIGHT OR CLAIM NUMBER Ground Water Permit G2-26813	RECORDED NAME(S) Washington Water Services
DO YOU OWN THE RIGHT TO BE CHANGED? <input checked="" type="checkbox"/> YES <input type="checkbox"/> NO	
IF NO, PROVIDE OWNER(S) NAME and ADDRESS:	
HAS THE WATER BEEN PUT TO BENEFICIAL USE IN THE LAST FIVE (5) YEARS? <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO	
Municipal water right permit under development schedule	

Please attach copies of any documentation that demonstrates consistent, historical use of water since the right was established. Also, if you have a water system plan or conservation plan, please include a copy with your application.

FOR OFFICE USE ONLY

APP. NO. _____ PERMIT NO. _____ CERT. NO. _____ CERT. OF CHANGE NO. _____

3. Point(s) of Diversion/Withdrawal:

A. Existing

SOURCE	NO.	¼	¼	SEC.	TWP.	RGE.	PARCEL #	WELL TAG #
Well 1	1	SE	SE	14	18 N	1 W		AGN 781
Well 2	2	SW	SW	13	18 N	1 W		AGN 723
Proposed 3	3	SE	SE	14	18 N	1 W		
Proposed 4	4	S	SE	14	18 N	1 W		

B. Proposed

SOURCE	NO.	¼	¼	SEC.	TWP.	RGE.	PARCEL #	WELL TAG #
Well 1	1	SE	SE	14	18 N	1 W		AGN 781
Well 2	2	SW	SW	13	18 N	1 W		AGN 723
Proposed 3	3	S	SE	14	18 N	1 W		
Proposed Freestone Ridge	4	SW or NW	NE or SE	25	18 N	1 W		

DO YOU OWN THE EXISTING AND PROPOSED POINT(S) OF DIVERSION/WITHDRAWAL?

EXISTING: ☒ YES ☐ NO PROPOSED: ☒ YES ☐ NO - IF NO, PROVIDE OWNER(S) NAME:

Please include copies of all water well reports involved with this proposal. Also, if you know the distances from the nearest section corner to the above point(s) of diversion/withdrawal, please include that information in Item No. 6 (remarks) or as an attachment.

4. Purpose of Use:

A. Existing

PURPOSE OF USE	GPM or CFS	ACRE-FT/YR	PERIOD OF USE
Community Domestic	800 GPM	425	Year-round, as needed

B. Proposed

PURPOSE OF USE	GPM or CFS	ACRE-FT/YR	PERIOD OF USE
Municipal water supply	800 GPM	425	Year-round, as needed

5. Place of Use:

A. Existing

LEGAL DESCRIPTION OF LANDS WHERE WATER IS PRESENTLY USED:							
<p>LEGAL DESCRIPTION OF AUTHORIZED PLACE OF USE</p> <p>The existing and future service area of Washington Water Service Company lying within the following areas: That portion of Section 30, T. 18 N., R. 1 E.W.M., lying North of the B.N. - U.P.R.R. easement and West of Pacific Highway S.E.; the NE 1/4 of Section 25, T. 18 N., R. 1 W.W.M., that portion of Section 19, T. 18 N., R. 1 E.W.M., lying Southerly of Pacific Highway S.E.; Section 24, T. 18 N., R. 1 W.W.M., excepting the NE 1/4 NE 1/4; That portion of Section 23, T. 18 N., R. 1 W.W.M., lying North of the Burlington Northern RR Easement and East of Marvin Road; the West 1/2 of Section 13, T. 18 N., R. 1 W.W.M., lying South of Steilacoom Road S.E.; Plus that portion of Section 14, T. 18 N., R. 1 W.W.M., lying South of Steilacoom Road S.E. and North of Pacific Highway S.E.; the East 1/2 of Section 13, T. 18 N., R. 1 W.W.M., lying South of Land Yacht Harbor Mobile Home Park and West of the Plat of The Meadows.</p>							
¼	¼	SEC.	TWP.	RGE.	COUNTY	PARCEL #	# OF ACRES
			18	1 W.W.	Thurston		
DO YOU OWN ALL THE LANDS IN THE EXISTING PLACE OF USE? <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO - IF NO, PROVIDE OWNER(S) NAME:							
Area located within Washington Water's Regional Supply boundaries, lots are owned by individual customers							

B. Proposed

LEGAL DESCRIPTION OF LANDS WHERE NEW USE IS PROPOSED:							
Area served by the Washington Water Service Company as described in a Department of Health approved water system plan							
¼	¼	SEC.	TWP.	RGE.	COUNTY	PARCEL #	# OF ACRES
					Thurston	N/A	N/A
DO YOU OWN ALL THE LANDS IN THE PROPOSED PLACE OF USE? <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO - IF NO, PROVIDE OWNER(S) NAME:							
Area located within Washington Water Company's service area, lots are owned by individual customers							

Attach a detailed map of your proposed change/transfer. The map should show existing and proposed point(s) of diversion/withdrawal, place of use and any other features involved with this application. If platted property, please include a certified copy of the plat map.

Are there any ADDITIONAL WATER rights OR CLAIMS RELATED to the same property as the ONE PROPOSED FOR CHANGE/TRANSFER?
☒ YES ☐ NO - IF YES, PROVIDE THE WATER RIGHT/CLAIM NUMBER(S):

Washington Water holds multiple water rights, Water Right Permit G2-26613 is also relevant to this project as it will also designate this well as a point of withdrawal.

6. Remarks and Other Relevant Information:

The intent of this request is to change one of the currently designated points of withdrawal from the SE ¼ SE ¼ of Section 14 to a proposed new well to be located near the center of Section 25.

IF FOR SEASONAL OR TEMPORARY, START DATE ____/____/____ END DATE ____/____/____

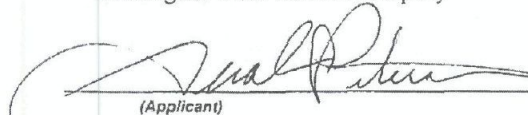
Certain applications may incur a Real Estate Excise Tax liability for the seller of the water rights. The Department of Revenue has requested notification of potential taxable water right related actions and therefore may be provided with a copy of this request.

Please contact the State Department of Revenue for further information. The phone number is (360) 570-3265. The address is: Department of Revenue, Real Estate Excise Tax, P O Box 47477, Olympia, WA 98504-7477.

7. Signatures:

I certify that the information above is true and accurate to the best of my knowledge. I understand that in order to process my application, I am hereby granting staff from the Department of Ecology or the County Conservancy Board access to the above site(s) for inspection and monitoring purposes. If assisted in the preparation of the above application, I understand that all responsibility for the accuracy of the information rests with me.

Gerald F. Petersen, P.E.
Engineering Manager
Washington Water Service Company


(Applicant)

8 / 8 / 11
(Date)

(Water Right Holder)

(Date)

(Land Owner(s) of Existing Place of Use)

(Date)

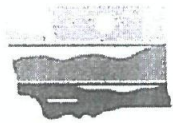
IMPORTANT! APPLICATION FILING INFORMATION IS PROVIDED ON THE NEXT PAGE.

WE ARE RETURNING YOUR APPLICATION FOR THE FOLLOWING REASON(S):

- ☐ APPLICATION FEE NOT ENCLOSED ☐ MAP NOT INCLUDED or INCOMPLETE
☐ ADDITIONAL SIGNATURES REQUIRED ☐ SECTION _____ IS INCOMPLETE
☐ OTHER/EXPLANATION: _____

STAFF: _____ DATE: ____/____/____

Exhibit B



DEPARTMENT OF
ECOLOGY
State of Washington

G2-26813
4681637

SECOND AMENDED PERMIT
TO APPROPRIATE WATERS
OF THE STATE OF WASHINGTON

PRIORITY DATE
10/16/1985

WATER RIGHT NUMBER
G2-26813

MAILING ADDRESS
Washington Water Service Company
6800 Meridian Road SE
Olympia, WA 98513-6302

SITE ADDRESS (IF DIFFERENT)

Quantity Authorized for Withdrawal or Diversion

WITHDRAWAL OR DIVERSION RATE
800

UNITS
GPM

ANNUAL QUANTITY (AF/YR)
425

Purpose

PURPOSE	WITHDRAWAL OR DIVERSION RATE			ANNUAL QUANTITY (AF/YR)			PERIOD OF USE
	ADDITIVE	NON-ADDITIVE	UNITS	ADDITIVE	NON-ADDITIVE		
Community domestic supply	800		GPM	311	114	01/01 - 12/31	
REMARKS	950 residential connections						

ADDITIVE	IRRIGATED ACRES		PUBLIC WATER SYSTEM INFORMATION	
	NON-ADDITIVE		WATER SYSTEM ID	CONNECTIONS
			73975	950

Source Location

COUNTY	WATERBODY	TRIBUTARY TO				WATER RESOURCE INVENTORY AREA		
Thurston	4 Wells					13 Deschutes		
SOURCE FACILITY/DEVICE	PARCEL	WELL TAG	TWN	RNG	SEC	QQ Q	LATITUDE	LONGITUDE
Well #1 (AGN781)	Tract B, Rolling Firs Division I	AGN781	18N	01 W	14	SE SE		
Well #2 (AGN723)	Tract A, Evergreen Terrace	AGN723	18N	01 W	13	SW SW		
Proposed Well #3	Tract B, Rolling Firs Division I		18N	01 W	14	SE SE		

G2-26813 SECOND AMENDED PERMIT
Page 2 of 4

Proposed Well #4

18N 01 W 14 S 1/2 SE

Datum: NAD83/WGS84

Place of Use (See Attached Map)

PARCELS (NOT LISTED FOR SERVICE AREAS)

LEGAL DESCRIPTION OF AUTHORIZED PLACE OF USE

The existing and future service area of Washington Water Service Company lying within the following areas: That portion of Section 30, T. 18 N., R. 1 E.W.M., lying North of the B.N. - U.P.R.R. easement and West of Pacific Highway S.E.; the NE 1/4 of Section 25, T. 18 N., R. 1 W.W.M., that portion of Section 19, T. 18 N., R. 1 E.W.M., lying Southerly of Pacific Highway S.E.; Section 24, T. 18 N., R. 1 W.W.M., excepting the NE 1/4 NE 1/4; That portion of Section 23, T. 18 N., R. 1 W.W.M., lying North of the Burlington Northern RR Easement and East of Marvin Road; the West 1/2 of Section 13, T. 18 N., R. 1 W.W.M., lying South of Steilacoom Road S.E.; Plus that portion of Section 14, T. 18 N., R. 1 W.W.M., lying South of Steilacoom Road S.E. and North of Pacific Highway S.E.; the East 1/2 of Section 13, T. 18 N., R. 1 W.W.M., lying South of Land Yacht Harbor Mobile Home Park and West of the Plat of The Meadows.

Works

Well #1 (AGN781): 8" x 225'

Well #2 (AGN723): 8" x 286'

Proposed Wells #3 and #4

Development Schedule

BEGIN PROJECT

Started

COMPLETE PROJECT

March 1, 2014

PUT WATER TO FULL USE

March 1, 2015

Measurement of Water Use

How often must water use be measured?	Monthly
How often must water use data be reported to Ecology?	Annually (by Jan 31)
What volume should be reported?	Total Annual Volume Monthly Total Volume
What rate should be reported?	Monthly Peak Rate of Withdrawal (gpm)

Provisions

Wells, Well Logs and Well Construction Standards

All wells constructed in the state shall meet the construction requirements of WAC 173-160 titled "Minimum Standards for the Construction and Maintenance of Wells" and RCW 18.104 titled "Water Well Construction". Any well which is unusable, abandoned, or whose use has been permanently discontinued, or which is in such disrepair that its continued use is impractical or is an environmental, safety or public health hazard shall be decommissioned.

All wells shall be tagged with a Department of Ecology unique well identification number. If you have an existing well and it does not have a tag, please contact the well-drilling coordinator at the regional

Department of Ecology office issuing this decision. This tag shall remain attached to the well. If you are required to submit water measuring reports, reference this tag number.

Installation and maintenance of an access port is required as described in WAC 173-160- 291(3).

Measurements, Monitoring, Metering and Reporting

An approved measuring device shall be installed and maintained for each of the sources identified by this water right in accordance with the rule "Requirements for Measuring and Reporting Water Use", WAC 173-173.

Water use data shall be recorded monthly and maintained by the water right holder for a minimum of five years. The maximum rate of withdrawal and the monthly total volume shall be submitted to the Department of Ecology by January 31st of each calendar year.

Recorded water use data may be submitted via the Internet. To set up an Internet reporting account, contact the Southwest Regional Office. If you do not have Internet access, you may submit hard copies by contacting the Southwest Regional Office for forms to submit your water use data.

WAC 173-173 describes the requirements for data accuracy, device installation and operation, and information reporting. It also allows a water user to petition the Department of Ecology for modifications to some of the requirements.

Department of Health Requirements

Prior to any new construction or alterations of a public water supply system, the State Board of Health rules require public water supply owners to obtain written approval from the Office of Drinking Water of the Washington State Department of Health. Please contact the Office of Drinking Water at Southwest Drinking Water Operations, 243 Israel Road S.E., PO Box 47823, Tumwater, WA 98504-7823, (360) 236-3030.

Easement and Right-of-Way

The water source and/or water transmission facilities are not wholly located upon land owned by the applicant. Issuance of a water right authorization by this department does not convey a right of access to, or other right to use, land which the applicant does not legally possess. Obtaining such a right is a private matter between applicant and owner of that land.

Water Use Efficiency

Use of water under this authorization shall be contingent upon the water right holder's maintenance of efficient water delivery systems and use of up-to-date water conservation practices consistent with established regulation requirements and facility capabilities.

Proof of Appropriation

The water right holder shall file the notice of Proof of Appropriation of water (under which the certificate of water right is issued) when the permanent distribution system has been constructed and

the quantity of water required by the project has been put to full beneficial use. The certificate will reflect the extent of the project perfected within the limitations of the permit. Elements of a proof inspection may include, as appropriate, the sources, system instantaneous capacity, beneficial use(s), annual quantity, place of use, and satisfaction of provisions.

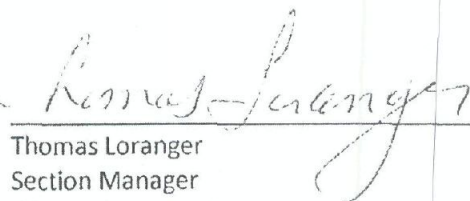
Schedule and Inspections

Department of Ecology personnel, upon presentation of proper credentials, shall have access at reasonable times, to the project location, and to inspect at reasonable times, records of water use, wells, diversions, measuring devices and associated distribution systems for compliance with water law.

This permit shall be subject to cancellation should the permit holder fail to comply with the above development schedule and/or to give notice to the Department of Ecology on forms provided by that Department documenting such compliance.

Given under my hand and the seal of this office at Olympia, Washington,

Signed at Olympia, Washington, this *11th* day of *Aug*-2010.



Thomas Loranger
Section Manager
Water Resources Program

Exhibit C

Legal # 1297

Affidavit of Publication

STATE OF WASHINGTON

County of Thurston County

SS.

The undersigned being first duly sworn on oath deposed and says:
That she is the Principal Clerk of The Olympian which is a legal
newspaper printed and published in the city of Olympia, Thurston County,
Washington: of general circulation in said City, County and State;

Legal #1297

THURSTON COUNTY
WATER CONSERVANCY BOARD
OLYMPIA, WASHINGTON

Notice of Application No. THUR 11-02 to change the point of withdrawal and Purpose of Use of
Ground Water Permit No. G2-26813.

TAKE NOTICE: That on August 15, 2011, the Washington Water Service Company filed an
Application for Change of Water Right with the Thurston County Water Conservancy Board ("Board")
to change the point of withdrawal of Ground Water Permit G2-26813, and change the purpose of
use from community domestic to Municipal Supply Purposes.

The Permit (priority date of October 16, 1985) authorizes the withdrawal of 800 gallons per minute
and 425 acre-feet per year from 4 wells located within the S 1/4 SE 1/4 of Sec. 14, and the SW 1/4 SW
1/4 of Sec. 13, T. 18 N., R. 1 W.W.M. for Community Domestic Supply.

The applicant proposes to change one of the originally designated points of withdrawal to a
proposed well to be located near the center of Sec. 25, T. 18 N., R. 1 W.W.M within either the
SW1/4 NE1/4 or the NW1/4 SE1/4 of Sec 25, T18N, R1 WWM.

The purpose of use will be changed from Community Domestic Supply to Municipal Supply and with
that the place of use will be updated to reflect Washington Water's municipal service area, as
described in a Department of Health approved Water System Plan.

Any protests or objections to the approval of this application may be filed with the Department of
Ecology and must include a detailed statement of the basis for objections; protests must be
accompanied by a fifty dollar (\$50) recording fee and filed with the Department of Ecology,
Cashiering Unit, P.O. Box 47611, Olympia, WA 98504-7611 within thirty (30) days from October 7,
2011.

Any interested party may submit comments and other information to the Board regarding this
application. Comments and information may be submitted in writing or verbally at any public
meeting of the Board held to discuss or decide on this application. This application will be on the
board agenda during its regular meetings to be held on September 19, 2011, October 17, 2011,
and November 21, 2011. NOTE: this notice does not constitute notice of a meeting for the purposes
of the Open Public Meetings Act, Chapter 42.30 RCW.

Additionally, the Thurston County Water Conservancy Board may receive written comments of
information through November 21, 2011 at its offices located at 626 Columbia Street NW, Suite 1-
A, Olympia, WA 98501 or mailed to PO Box 1037, Olympia, WA 98501-1037. Applications and
additional information can be found at www.tcwcb.org.

Publish: September 30, October 7, 2011

Notice of Application

No. THUR 11-02 – Thurston County Water Conservancy Board

ase of

in the attached is a printed copy, was published in said newspaper:

30 th	day of	September	2011
7 th	day of	October	2011
	day of		2011
	day of		2011
	day of		2011
	day of		2011

That said newspaper was generally circulated during all of said time,
has been published for more than six months prior to the dates of the
execution of this legal document, and that said notice was published in
newspaper proper and not in supplement form.

Amount of fee charged for this publication – \$708.96

Legal Notice OK
J. H. Houtain

Levy Nelson
Principal Clerk

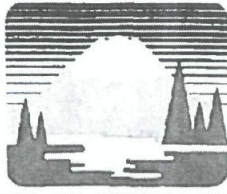
Subscribed and sworn to me this 7th day of

October 2011

Jamora J. McGee
Notary Public in and for the State of Washington
Residing at Olympia, Thurston County, Washington

The Olympian has been appointed as a legal
newspaper by order of the Superior Court of the State
of Washington for Thurston County, dated July 10,
1941, in the county in which said newspaper is
published in accordance with RCW 65.16.020 and
RCW 63.16.040.

Note – The above affidavit and fee is in compliance with RCW 63.16.030 and Sec. 3, Chapter 34, Laws of 1977.



*Shaping
our community
together*

**CITY
OF LACEY**

POST OFFICE BOX 3400
LACEY, WA 98509-3400

November 3, 2011

Washington State Department of Ecology
Cashiering Unit
PO Box 47611
Olympia, WA 98504-7611

RE: Protest of Application for Change, Ground Water Permit G2-26813

Department of Ecology:

By this letter, the City of Lacey protests application for change #G2-26813. The application was submitted by Washington Water Service Co. for construction of a new well for the stated purpose of providing water service to Freestone Ridge, a proposed development within Thurston County.

The basis for Lacey's protest is that the mapped area identified as Freestone Ridge is entirely within the City of Lacey's water service area. In fact, South Sound Utility Co. (which later became Washington Water Service) sold this particular part of its service area to the City of Lacey in 1997.

Attached to this letter is the following documentation that verifies the intended location of use is within Lacey's Service area:

1. 1997 Evergreen Estates Purchase: Statutory Warranty Deed, Assignment of Easement, Assignment of Easement and Protective Covenant, Water System Purchase Agreement, Bill of Sale, Transfer of Water Service Area, Relinquishment of all Claim to Water Rights, Seller's Closing Statement.
2. Letter dated January 5, 1998 from Gerald Peterson, South Sound Utility Co., to Tom Clingman, Thurston County. RE: December 24, 1997 Request for Clarification Evergreen Estates/McAllister Park Service Area(s).
3. Letter dated February 20, 1987 from John Robischon, South Sound Utility Co., to Vernon Stoner, City of Lacey.
4. Map of Lacey's water service area from Lacey's current Water Comprehensive Plan (Grey and Osborn, 2003).
5. 1999 map showing service areas established through by the North Thurston Coordinated Water System planning process.



TDD Relay
1-800-833-6388

City Council
(360) 491-3214

City Manager
(360) 491-3214

City Attorney
(360) 491-1302

Community Development
(360) 491-5642

Finance
(360) 491-3212

Park & Recreation
(360) 491-0857

Police
(360) 459-4333

Public Work
(360) 491-5600

Fax #
(360) 438-2669



We also observed that map submitted with the change application does not reflect South Sound Utility's sale of the service area described above, and instead shows outdated service area and CWSP boundaries. These old boundaries are not relevant to this change application. Whereas it would be relevant to show Washington Water Service's existing service area(s) identified in a current approved water system comprehensive plan, this is not included on the map.

In summary, Washington Water Service should have disclosed that they sold a significant portion of their place of use for this permit, including the service area for Freestone Ridge. In the absence of written agreement from the City of Lacey, Washington Water Service cannot serve or claim the service area that they sold, transferred, and relinquished to Lacey. To preserve the rights and interests of the city of Lacey, we respectfully request Ecology to deny application for change G2-26813.

However, if Ecology chooses to act on this application, we point out that the application is for an upstream transfer. The applicant should be required to evaluate potential impacts to surface water bodies, including the Tri-lakes and McAllister Springs, as well as potential impacts to Lacey's nearby water supply wells, from their proposed new point of withdrawal.

The required recording fee for this protest (\$50.00) is also attached to this letter. If you have any questions or would like to discuss these comments, please contact Julie Rector, at (360) 493-2410 or at jrector@ci.lacey.wa.us.

Sincerely,



Peter C. Brooks, P.E.
Water Resources Manager

Attachments (6)

cc: Mike Gallagher, Water Resources Section Manager, SWRO
Thurston County Water Conservancy Board

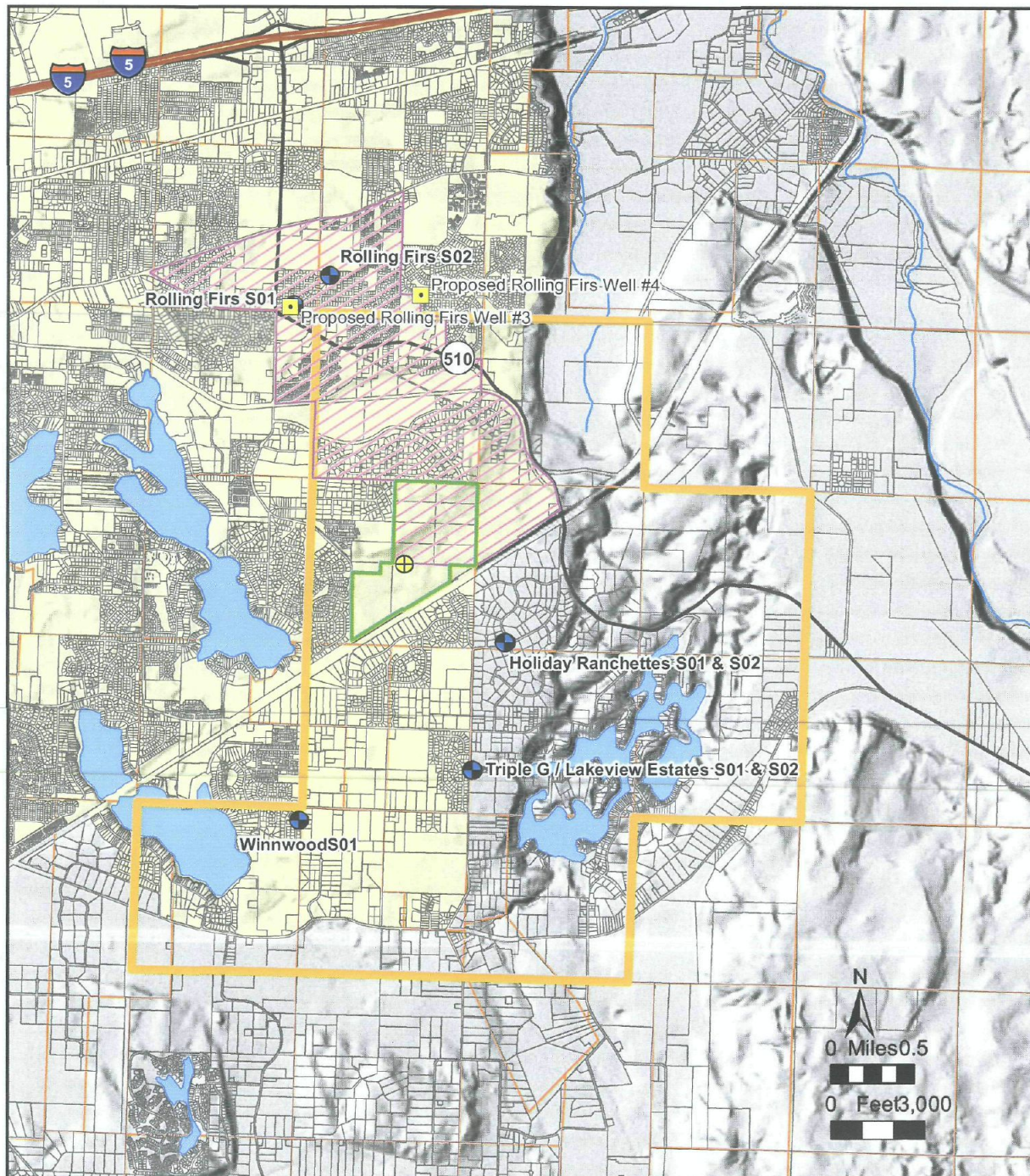
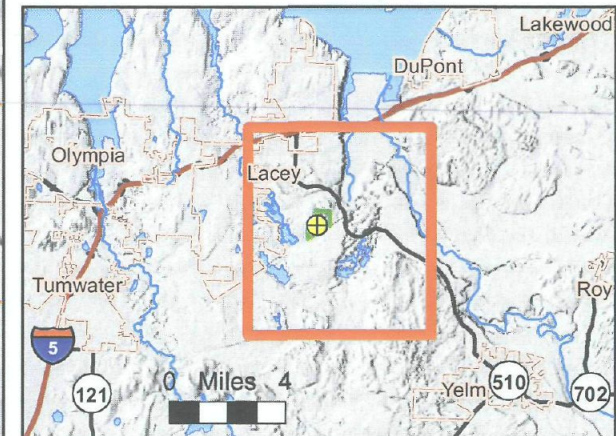











Figure 1
Washington Water Service Co.
Wells and Water Rights

PgG



Legend

-  WWSC Wells
-  Rolling Firs Proposed Wells
-  Freestone Proposed Well
-  Freestone Ridge
-  G2-26813 Water Right Boundary
-  G2-26613 Water Right Boundary
-  Parcels
-  Urban Growth Area Boundary
-  Sections

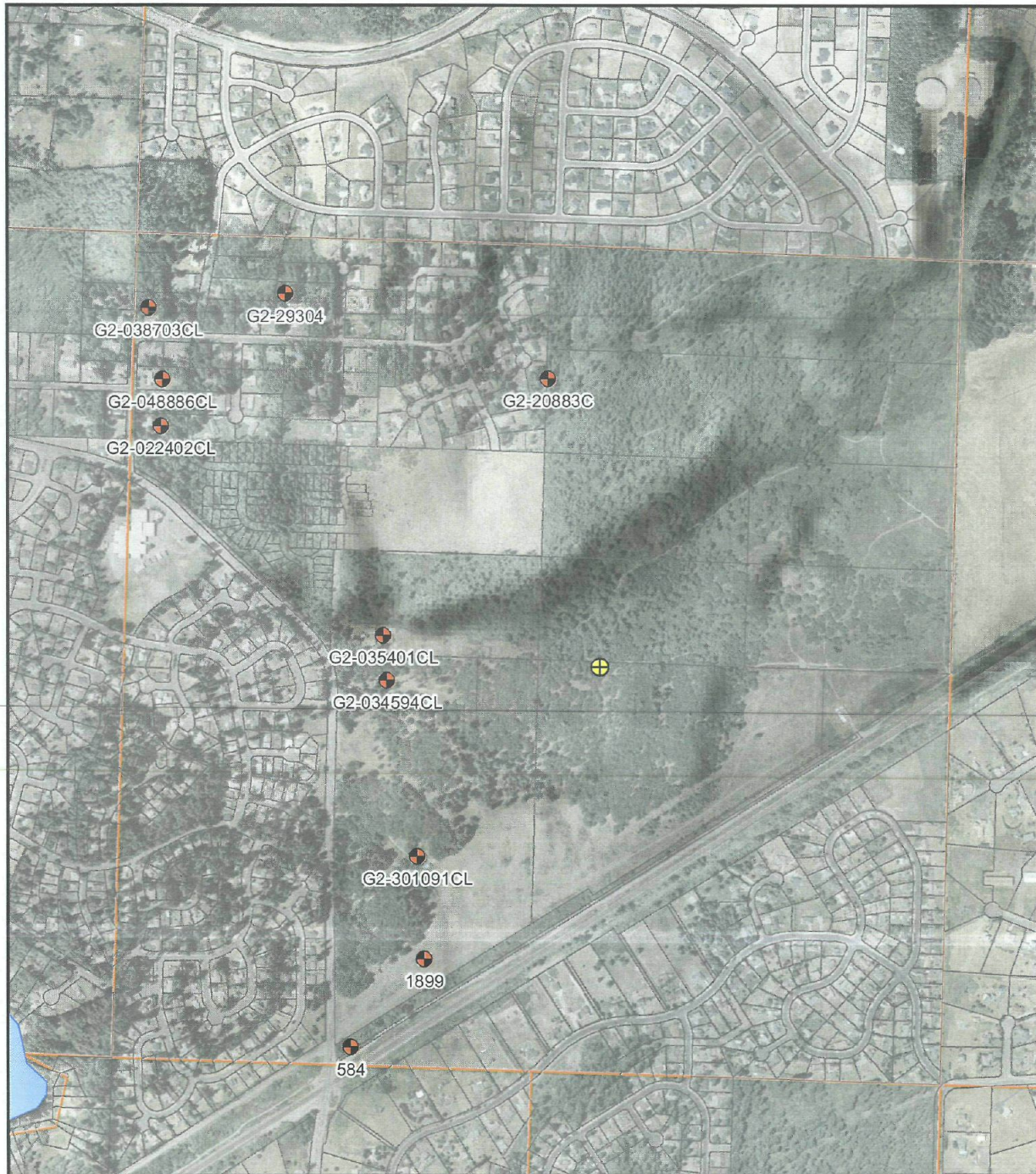
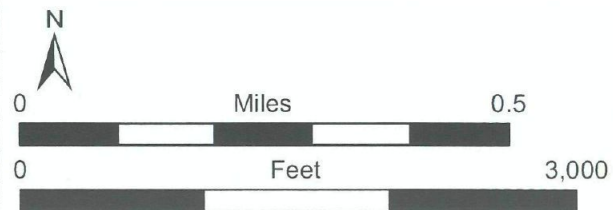


Figure 2
Water Rights within 1/2 Mile
Radius of Proposed Well Site

PgG

Legend

-  Freestone Proposed Well
-  Water Right Locations
-  Parcels
-  Sections



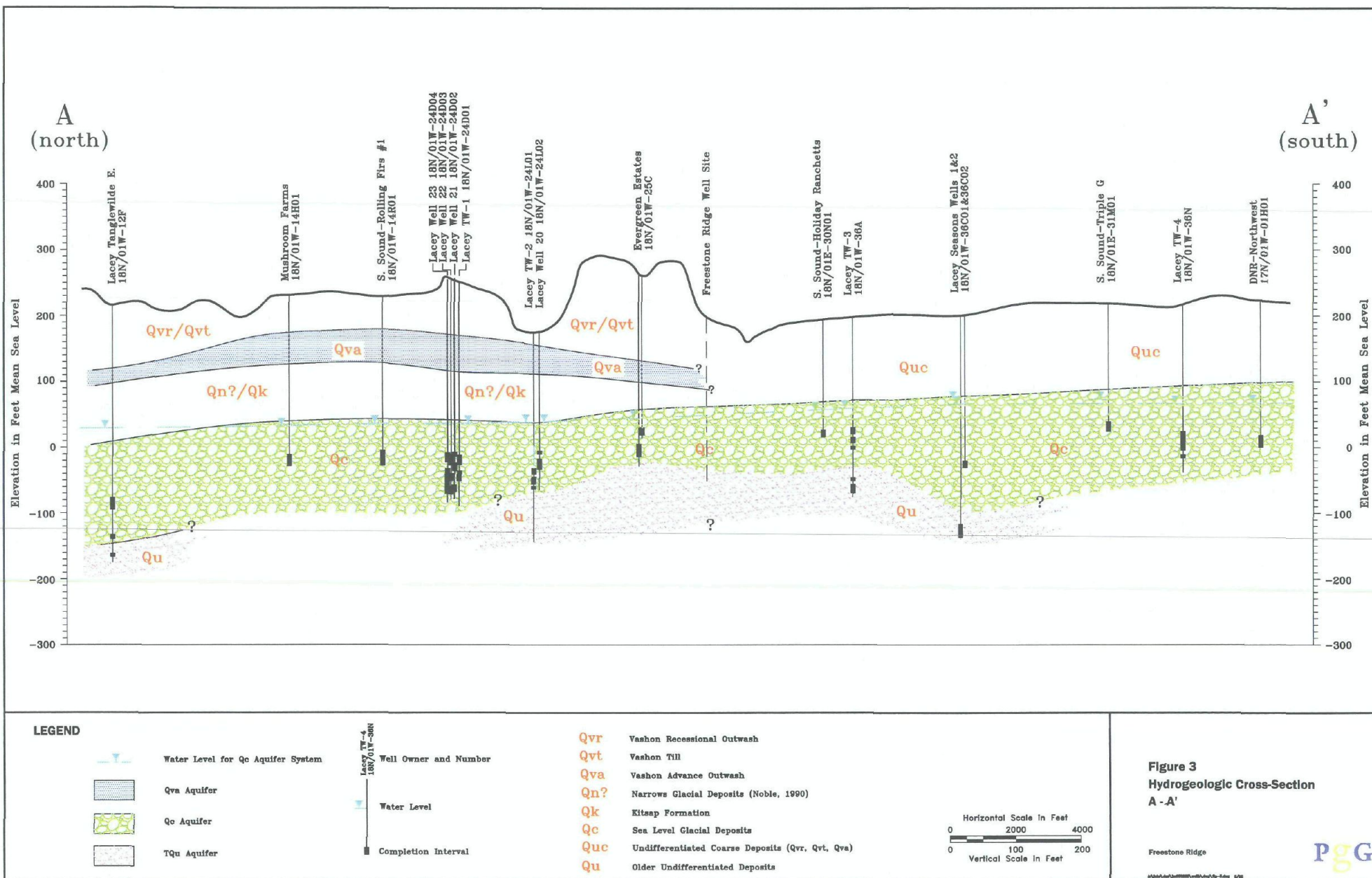


Figure 3
Hydrogeologic Cross-Section
A - A'

Freestone Ridge

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K:\JULY1105_Freestone\GIS\mxds\Water Levels_seaLevelAquifer.mxd, 11/2011

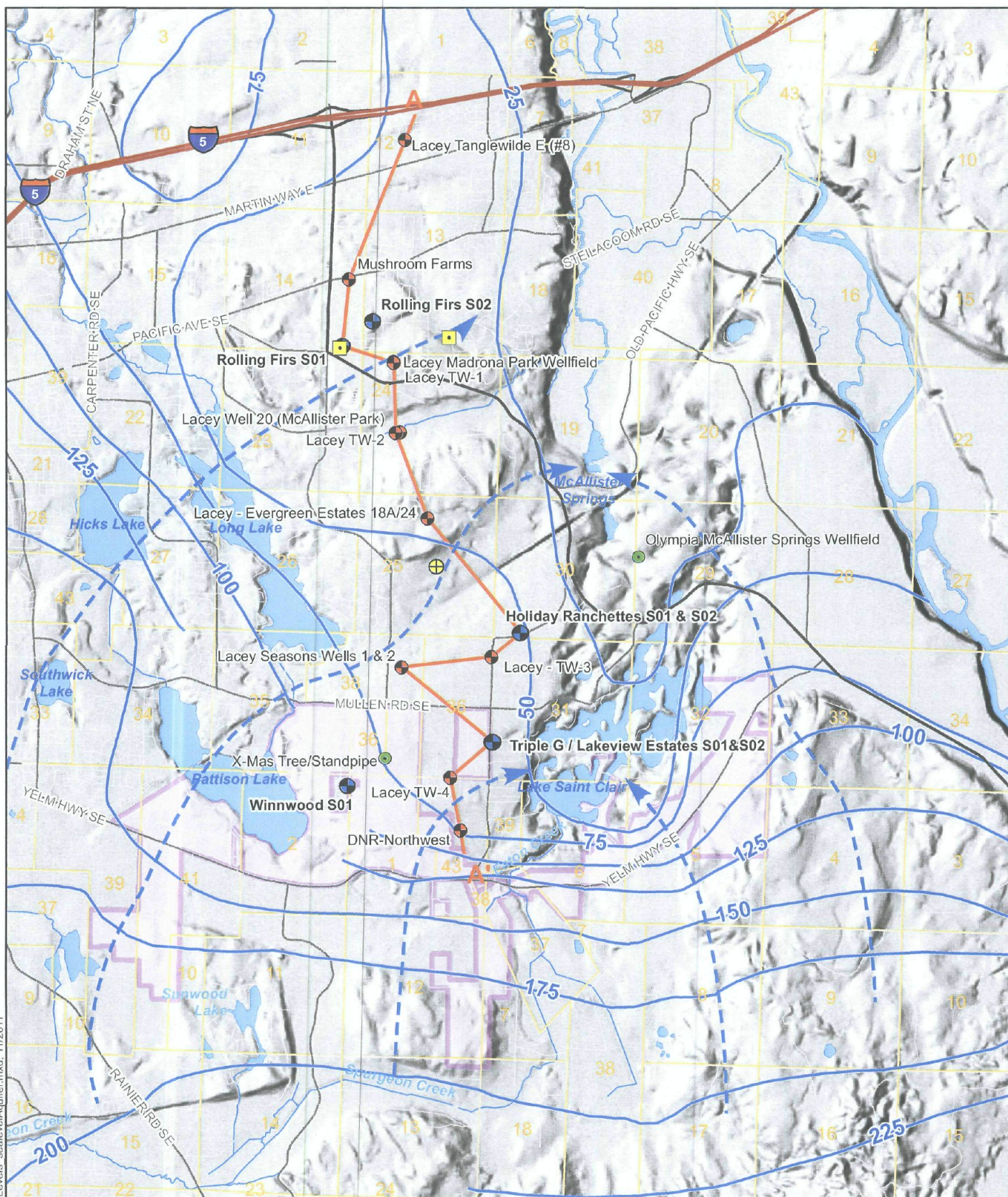


Figure 4
Water Levels &
Groundwater Flow
Directions, Sea
Level Aquifer